

# MANAGING YOUR MONEY

## Your W-2: Tips to Help You This Tax Season

(NAPSA)—It can pay to know what you've been paid. By January 31, 2005, every employer that paid you during 2004 must provide you with a Form W-2, *Wage and Tax Statement*—even if you worked for only a single day. The American Payroll Association, the nation's leader in payroll education, offers these tips to help ensure your W-2 is correct:

### **1. Make sure you receive a W-2 from all 2004 employers.**

Be sure every company that paid you in 2004 has sent you a W-2. If not, contact their payroll departments. (Employers are also allowed to mail Forms W-2, as long as they are postmarked by January 31, so you may want to wait until after the first week in February.) When calling, be prepared to provide your full name, your Social Security number, and your employee number, if applicable. If you have moved during the past year, be prepared to give any prior addresses, as well as your new address, so your W-2 can be mailed to you.

### **2. Be certain your name and Social Security number exactly match your Social Security card.**

If your name and Social Security number do not match, contact your payroll department and request a corrected W-2. It is imperative these items match for you to get your Social Security benefits later in life. An exception: It is okay if your Social Security card spells out your middle name but your W-2 only shows your middle initial.

### **3. Look at your last pay stub for 2004.**

If you notice a discrepancy between your last pay stub for 2004 and your W-2, you should note that the amounts entered in W-2 box 1 (Wages, tips, and other compensation), box 3 (Social Security wages), and box 5 (Medicare wages and tips) may differ from your year-to-date gross pay. Deductions from your pay for some employer-sponsored savings plans, such as a 401(k) retirement plan, reduce the amount reported in box 1. Payroll deductions for health insurance premiums and/or flexible spending accounts (medical, dependent care, etc.) will reduce the amounts in boxes 1, 3 and 5 if you used pretax deductions to make these payments. And since the 2004 Social Security wage base is \$87,900, that is the maximum amount that may be reported in box 3 and subjected to Social Security tax. If any of the dollar amounts seem incorrect, contact your payroll department.

### **4. Check to see if you qualify for any tax credits.**

Read the back of the W-2 Copy B to determine if you are eligible for the Earned Income Tax Credit, and the back of Copy C for explanations of other boxes.

### **5. Obtain a new W-2 if you misplace your original.**

Request a "reissued statement" from your payroll department to replace a lost W-2. A fee may be charged for the replacement.

For more information about your Form W-2 and other topics relating to your paycheck and withholding, visit [www.nationalpayrollweek.com](http://www.nationalpayrollweek.com).